

COMSCINST 4790.2	COG CODE N7X	DATE 10 APR 1984
-------------------------	---------------------	-------------------------



DEPARTMENT OF THE NAVY
 COMMANDER MILITARY SEALIFT COMMAND
 WASHINGTON NAVY YARD BLDG 210
 901 M STREET SE
 WASHINGTON DC 20398-5540

COMSCINST 4790.2
 M-4E
 10 April 1984

COMSC INSTRUCTION 4790.2

Subj: Coordination of Major Upgrades and Overhauls to MSC Ships

Ref: (a) GAO Report of 17 March 1983, Actions Needed to Reduce Slippage and Cost Growth on Contracts for Navy Ship Overhauls
 (b) COMSCINST 5440.8C (COMSC Organization Manual)
 (c) COMSCINST 4790.1 (Overhaul Management Team)
 (d) COMSCINST 4330.21C (Contract Procedures for Use in Procurement of Ship Maintenance, Repair, and Alterations)

1. Purpose. To promulgate the objectives and policies of Commander, Military Sealift Command for the coordination of major upgrades or overhauls of MSC ships.
2. Applicability. This instruction is applicable to all overhauls and upgrade projects managed by MSC Headquarters.
3. Background. Consistent with good management, it is intended that services and materials for the maintenance, repair, and alteration of ships be obtained as economically as possible within the framework of the law and that procedures be applied uniformly throughout MSC. Increasing operational assignment to the maximum extent possible. Ship upgrades and overhauls, while necessary, reduce the number of available ships to meet operational commitments. It is therefore essential that shipyard periods end on the scheduled completion date.
4. Key Management Elements for Effective Overhauls. To achieve consistently effective overhauls in the private sector, the overhaul planning and management system must have the following:
 - a. A complete knowledge of each ship, its design, characteristics, mission, and material condition.
 - b. Adequate time to plan and prepare for a shipyard period.
 - c. Knowledgeable planning and development of work packages, plans, and specifications.
 - d. Timely decision making.

30 April 1984

e. Complete and competent inspection of the work.

f. Effective cost control.

5. Need for Concentrated Overhaul Management. Growing concern over the cost and effectiveness of the Navy's contracting for ship overhauls prompted the Congress to ask GAO to examine Navy overhaul contracting practices. GAO reported in reference (a) that the Navy needed to concentrate maintenance expertise and overhaul responsibility in a manner similar to MSC, that is utilizing the CONREP or Port Engineer concept. The planning and management system for private sector overhauls must not be fragmented, with many organizations involved in the coordination and decision making process. A single entity should have the expertise and managerial responsibility for ensuring that an overhaul is effective.

6. Overhaul Management Responsibility. Reference (b) delineates the organizational responsibilities of COMSC. The on-site technical and construction supervision is the assigned COMSC CONREP. Reference (c) states the policy of COMSC in the utilization of an Overhaul Management Team. By coordinating the input of the overhaul information, the CONREP:

a. Can ensure that work specifications packages are accurate and complete.

b. Is in a position to provide timely and informed comments on proposed changes to contracts to the Contracting Officer.

c. Can ensure that work accomplished meets specified quality control standards.

d. Has sufficient knowledge of the status of progress and/or problems to provide reliable feedback on a ship's overhaul.

e. Has the knowledge to put maintenance requirements into the perspective of a ship's total maintenance program, and control costs by including in the work specifications package only work that must be done by a shipyard.

7. Policy. It is COMSC policy, in consonance with references (b), (c), and (d), that effective management techniques be employed to ensure ship modification and overhaul schedules are met within assigned monetary constraints to assure the meeting of operational commitments.

8. Action

a. Engineering Officer (M-4E)

(1) Develop and implement maintenance strategies that minimize the time ships spend in scheduled and unscheduled maintenance periods.

(2) Identify essential repairs, maintenance, or alterations that must be accomplished.

(3) Translate the identified work into a clear and accurate specification package.

(4) In conjunction with M-3T, identify mission essential items, regulatory requirements, and other high priority items for immediate execution. Prioritize other work items on a no-time impact, cost effective basis.

(5) Assign a CONREP and staff in a time-phased manner with sufficient numbers and expertise to provide adequate on-site management.

(6) Establish daily liaison and require regular formal reports to ensure schedule adherence, minimize contract changes, and limit contract costs.

(7) Conduct periodic visits to shipyards with M-3T.

(8) Brief all staff codes on a regular basis on schedule status, and areas of concern for ships in major upgrades or overhauls.

(9) Provide M-01 weekly reports on progress and issues.

(10) M-4E2 to act as MSC coordinator, with respect to technical matters, with the Supervisor or Shipbuilding.

b. Operations Officer (M-3T)

(1) Visit shipyards with M-4E to emphasize the necessity of schedule adherence and quality of work.

(2) Maintain liaison with area commands to ensure awareness of operational commitments and goals.

(3) Brief staff codes on current operational schedule.

30 April 1984

c. Contracting Officer (M-10)

(1) Provide contracting services and act as PCO for all Headquarters managed overhauls and upgrade projects.

(2) Provide contracting guidance and assistance in contract related issues to the assigned CONREP.

(3) Coordinate all contracting issues with the ACO.

(4) Visit the shipyard with Engineering Officer Representatives (M-4E2) to ensure awareness of proper procedures.

(5) M-10-3 to act as MSC coordinator, with respect to contractual matters, with the Supervisor of Shipbuilding.

d. Area Commanders. The are commander and his staff take an active role in major overhauls and upgrade projects. Primarily, the are commanders prepare the M&R specification items and, then are represented by the on-site Port Engineer and the Ship's Master. The detailed procedures of how the area command interfaces in MSC Headquarters managed jobs are discussed in reference (c).

/S/

W. C. HAMM, Jr.
Vice Commander

Distribution:

SNDL 41B (MSC area commands)
41C (MSC subarea commanders)
41D3 (MSC offices/prepositioned groups)